

## Message Text

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61

ORIGIN NEA-10

INFO OCT-01 ISO-00 ABF-01 FS-01 /013 R

DRAFTED BY NEA/INS:AATHIBAULT,JR.:JES

APPROVED BY NEA/INS:DKUX

M/FRM/FM:RPWHITENER

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R 231958Z OCT 75

FM SECSTATE WASHDC

TO AMEMBASSY COLOMBO

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STADIS//////////

E.O. 11652: N/A

TAGS: AFIN, CE

SUBJECT: HANDLING OF CURRENCY CONVERSION VOUCHER NO. AID  
111

REF: A) COLOMBO 2386; B) STATE 207811; C) STATE 210430

1. REF (C) REQUESTED DELAY IN ASKING GSL TO MAKE CONVERSION OF PL 480 GENERATED RUPEES (2 PERCENT OF REPAYMENTS) INTO THIRD COUNTRY CURRENCY AS PER REF (B). LATTER HAD NOT BEEN ADEQUATELY CLEARED WITHIN DEPARTMENT AND WAS THEREFORE COUNTERMANDED PENDING FULL REVIEW OF ISSUES INVOLVED WITH TREASURY, AGRICULTURE, AND WITHIN STATE. WE HAVE NOW COMPLETED REVIEWS AND CONCLUDED THAT PAYMENT REQUEST IS WARRANTED.

2. CONVERSION REQUIREMENT IS STANDARD FEATURE OF PL 480 AGREEMENTS PROVIDING FOR PAYMENTS IN LOCAL CURRENCIES. IT WAS LEGISLATIVELY MANDATED AND CANNOT BE WAIVED OR CANCELLED BY SECRETARY OF AGRICULTURE. RECENT RUPEE SETTLEMENT WITH INDIA, FOR EXAMPLE, SPECIFICALLY RETAINED CURRENCY CONVERSION REQUIREMENT.  
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ION CLAUSE. WHERE SUMS INVOLVED LIKE SRI LANKA'S WERE RE-

LATIVELY SMALL, TREASURY APPARENTLY LET THE CONVERSION SLIDE BUT GAO PRODDING HAD LED TREASURY TO ACTIVATE THESE DORMANT OBLIGATIONS IN RECENT YEARS.

3. FUNDS GENERATED IN THIRD COUNTRY CURRENCY CONVERSIONS ARE USED BY AGRICULTURE FOR MARKETING DEVELOPMENT PURPOSES. THUS WHILE INITIATIVE FOR CONVERSION ORIGINATES IN TREASURY, THERE IS BUILT-IN USDA SUPPORT FOR PRESENTATION OF CURRENCY CONVERSION REQUEST.

4. TREASURY'S CORRECTED CONVERSION CLAIM UNDER 1962 PL 480 AGREEMENT WITH SRI LANKA IS ABOUT RS. 112,000, I.E. APP. \$16,800. WE ARE TOLD BY TREASURY THAT THIS CONSTITUTES THE ONLY OUTSTANDING CLAIM AGAINST SRI LANKA. SINCE AMOUNT AT ISSUE IS SO SMALL, ESSENTIALLY A TECHNICAL ADJUSTMENT, WE SEE NO REASON THAT THIS SHOULD CREATE DIFFICULTIES WITH THE GSL. IN CONJUNCTION WITH TREASURY WE ARE PREPARING INSTRUCTIONS REGARDING CONVERSION VOUCHER WHICH YOU WILL BE RECEIVING WITHIN NEXT FEW DAYS. INGERSOLL

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## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 OCT 1975  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** wooflhhd  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** AATHIBAUTL,JR.:JES  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Original Handling Restrictions:** STADIS  
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**Review Authority:** wooflhhd  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**TAGS:** AFIN, CE  
**To:** COLOMBO  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006